

FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554

93-22

October 18, 1994

IN REPLY REFER TO:

EX PARTE OR LATE FILED

RECEIVED

OCT 18 1994

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

The Honorable Jim Talent
Member of Congress
1022 Longworth House Office Building
U.S. House of Representatives
Washington, D.C. 20515

DOCKET FILE COPY ORIGINAL

Dear Congressman Talent:

This letter responds to your correspondence on behalf of Trudy Marshall and Tom Crocco regarding charges on their telephone bill and relating to information services provided on 800 numbers. Your letter, as well as the complaint of your constituent, has been referred to the Enforcement Division of the Common Carrier Bureau for review. The Enforcement Division will communicate with your constituent upon completion of its review.

The Telephone Disclosure and Dispute Resolution Act (TDDRA) was enacted by Congress in 1992 and required both the Federal Communications Commission and the Federal Trade Commission (FTC) to adopt rules governing the provision of pay-per-call services. Under the TDDRA, the FCC has jurisdiction over the telecommunications carriers involved in the transmission and billing of the telephone calls, while the Federal Trade Commission has jurisdiction over the information service companies themselves.

The TDDRA generally required pay-per-call services to be provided on 900 telephone numbers and generally prohibited the provision of these services on 800 numbers, except in instances where the caller has entered into a presubscription agreement or comparable arrangement with the information service provider. Pursuant to the Commission's rules, which became effective on September 24, 1993, a presubscription agreement entails a formal contractual understanding whereby the consumer is provided clearly and conspicuously all terms and conditions associated with the use of the service and affirmatively agrees to abide by them.

The Commission has received numerous complaints similar to those described by your constituent. These complaints are processed by the Enforcement Division of the Common Carrier Bureau by serving a copy of the complaint upon the telecommunication carriers involved, who must generally respond in writing within 30 days. Beyond reviewing these

No. of Copies rec'd /
List ABCDE

The Honorable Jim Talent
Page 2

complaints and pursuing appropriate action to resolve them, the Commission has undertaken several efforts. First, Common Carrier Bureau staff has met with the carriers that provide the billing service for calls to 800 numbers as well as interexchange carriers who provide the 800 number transport to emphasize their obligations under the TDDRA and the rules of the Commission. Secondly, because the increase in the number of complaints has been so significant, we have started an investigation of these practices, with special focus on whether any companies have attempted to evade or violate our rules. Additionally, as part of the effort to make clear the carriers' responsibilities under the law, the Common Carrier Bureau has recently issued a ruling holding that the information provider's receipt of the originating telephone number, a practice that was serving as the premise of some charges, does not in itself constitute a presubscription agreement.

Moreover, on August 2, 1994, the Commission instituted a Notice of Proposed Rulemaking seeking to strengthen Commission rules to prevent abusive and unlawful practices under the TDDRA. Specifically, the Commission has sought public comment on a proposal to require that a presubscription agreement be established only with a legally competent individual and executed in writing, and that common carriers obtain evidence of the written agreement before issuing a telephone bill that contains charges for presubscribed information services. Under the proposed rules, these telephone bills could be addressed only to the individual who actually entered into the presubscription arrangement, not to the person or company whose telephone was used to place the call. The Commission has tentatively concluded that this and other proposed changes would significantly assist in eliminating the source of many consumer complaints. Enclosed is a summary of the Commission's action in this regard.

We appreciate receiving your correspondence. Please call upon us if we can provide any additional information.

Sincerely,



Kathleen M.H. Wallman
Chief
Common Carrier Bureau

Enclosure

JAMES M. TALENT
2D DISTRICT, MISSOURI

1022 LONGWORTH HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-2502
(202) 225-2561

555 N. NEW BALLAS ROAD
SUITE 315
ST. LOUIS, MO 63141
(314) 872-9561

820 S. MAIN STREET
SUITE 206
ST. CHARLES, MO 63301
(314) 949-6826

Congress of the United States
House of Representatives
Washington, DC 20515-2502

August 10, 1994

CCB
CC-800
CC-900
CC-4004

COMMITTEES
ARMED SERVICES

SUBCOMMITTEES:
RESEARCH AND TECHNOLOGY
MILITARY PERSONNEL

SMALL BUSINESS

SUBCOMMITTEES:
SBA LEGISLATION AND
GENERAL ECONOMY
MINORITY ENTERPRISE, FINANCE AND
URBAN DEVELOPMENT
FRESHMAN WHIP
REPUBLICAN HEALTH CARE POLICY
TASK FORCE CO-CHAIRMAN

Ms. Linda Townsend Solheim
Director, Legislative Affairs
Federal Communications Commission
Room 808
1919 M Street, N.W.
Washington, D.C. 20554


Dear Ms. Solheim:

The enclosed correspondence was sent to me by Trudy Marshall.

If you could assist me in replying to this inquiry by requesting someone on your staff to investigate the matter and provide to me the appropriate information, I would be most grateful.

Again, Ms. Solheim, thank you for your cooperation in this matter. If I may provide any additional information necessary to you, please do not hesitate to call upon me.

Sincerely,


Jim Talent
Member of Congress

JMT:mcm

B

MAIL: 5043222
FROM: STLINT
TO...:LEGMAIL
CC...:
DATE: 05 Aug 1994
TIME: 12:59PM
SUBJ:

AUG 09 1994

Trudy Marshall 11868 Cynthia Dr. Maryland Heights,MO 63043
We need stricter laws against pornography on the telephone and on
television. Her kids racked up a pretty large bill. She got a block on 900
#'s but it seems one can call 800#'s and get transferred to 900 #'s.

JAMES M. TALENT
2D DISTRICT MISSOURI

1022 LONGWORTH HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-2502
(202) 225-2561

555 N. NEW BALLAS ROAD
SUITE 315
ST. LOUIS, MO 63141
(314) 872-9561

820 S MAIN STREET
SUITE 206
ST. CHARLES, MO 63301
(314) 949-6826

Congress of the United States
House of Representatives
Washington, DC 20515-2502

CCB
CC-800
CC-900
4000

COMMITTEES
ARMED SERVICES
SUBCOMMITTEES:
RESEARCH AND TECHNOLOGY
MILITARY PERSONNEL
SMALL BUSINESS
SUBCOMMITTEES:
SBA LEGISLATION AND
GENERAL ECONOMY
MINORITY ENTERPRISE, FINANCE AND
URBAN DEVELOPMENT
FRESHMAN WHIP
REPUBLICAN HEALTH CARE POLICY
TASK FORCE CO-CHAIRMAN

August 10, 1994

Ms. Linda Townsend Solheim
Director, Legislative Affairs
Federal Communications Commission
Room 808
1919 M Street, N.W.
Washington, D.C. 20554

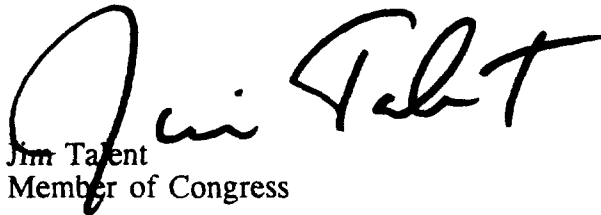
Dear Ms. Solheim:

The enclosed correspondence was sent to me by Tom Crocco.

If you could assist me in replying to this inquiry by requesting someone on your staff to investigate the matter and provide to me the appropriate information, I would be most grateful.

Again, Ms. Solheim, thank you for your cooperation in this matter. If I may provide any additional information necessary to you, please do not hesitate to call upon me.

Sincerely,


Jim Talent
Member of Congress

JMT:mcm

MAIL: 5042559
FROM: TONY
TO...:LEGMAIL
CC...:
DATE: 29 Jul 1994
TIME: 05:17PM
SUBJ:

AUG 03 1994

Tom Crocco
909 Hartford Place, St. Charles, mO 63301
This guys son placed a number of 1-800 calls and apparently his phone bill was charged with over \$200 in fees due to these calls. He claims that the FCC has a new law which allows fees to be collected of certain 1-800 numbers without any advertising that they will be charged for using the service. He called to complain about the FCC allowing such practices.